GLOBAL STRATEGIC GROUP LIMITED
環球戰略集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8007)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

The board (the "**Board**") of directors (the "**Directors**") of Global Strategic Group Limited (the "**Company**") is pleased to present the audited consolidated results of the Company and its subsidiaries (together the "**Group**") for the year ended 31 December 2015 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Notes	**1.1.2015 to 31.12.2015** ***HK$'000***	1.7.2014 to 31.12.2014 *HK$'000*
Revenue	*(2)*	**217,068**	25,865
Cost of sales		**(216,775)**	(24,887)
Gross profit		**293**	978
Other income		**105**	26
General and administrative expenses		**(31,340)**	(4,559)
Marketing and promotion expenses		**(2,581)**	(92)
Staff costs		**(47,932)**	(6,924)
Loss before taxation		**(81,455)**	(10,571)
Taxation	*(3)*	**–**	–
Loss for the year/period	*(4)*	**(81,455)**	(10,571)

	Note	1.1.2015 to 31.12.2015 HK$'000	1.7.2014 to 31.12.2014 HK$'000
Other comprehensive expense for the year/period			
Item that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation of foreign operations		**(60)**	–
Total comprehensive expense for the year/period attributable to owners of the Company		**(81,515)**	(10,571)
			(Restated)
Loss per share – basic	*(5)*	**HK(2.07) cents**	HK(0.33) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2015

	Notes	2015 HK$'000	2014 HK$'000
Non-current assets			
Property, plant and equipment		**12,054**	1,926
Intangible assets		**10,220**	–
Deposit paid for acquisitions		**35,001**	1,520
		57,275	3,446
Current assets			
Trade and other receivables	*(6)*	**1,617**	2,283
Bank balances and cash		**24,869**	32,475
		26,486	34,758
Current liabilities			
Trade and other payables	*(7)*	**3,244**	1,063
Net current assets		**23,242**	33,695
Net assets		**80,517**	37,141
Capital and reserves			
Share capital		**19,800**	18,000
Reserves		**60,717**	19,141
Equity attributable to owners of the Company		**80,517**	37,141

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Attributable to owners of the Company					
	Share capital	**Capital reserve**	**Share premium**	**Translation reserve**	**Accumulated losses**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 July 2014	15,000	7,540	8,461	–	(27,389)	3,612
Issue of ordinary shares	3,000	–	41,100	–	–	44,100
Loss and total comprehensive expense for the period	–	–	–	–	(10,571)	(10,571)
At 31 December 2014	18,000	7,540	49,561	–	(37,960)	37,141
Exchange difference arising on translation of foreign operation	–	–	–	(60)	–	(60)
Loss for the year	–	–	–	–	(81,455)	(81,455)
Loss and total comprehensive expense for the year	–	–	–	(60)	(81,455)	(81,515)
Issue of ordinary shares	1,800	–	125,640	–	–	127,440
Expenses incurred in connection with issue of ordinary shares	–	–	(2,549)	–	–	(2,549)
At 31 December 2015	**19,800**	**7,540**	**172,652**	**(60)**	**(119,415)**	**80,517**

The capital reserve represents the difference between the nominal value of the share capital issued by the Company and the fair value allocated to the separable net assets of the subsidiaries at the date of acquisition arisen from a group reorganisation in March 2000.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2015

	1.1.2015 to 31.12.2015	1.7.2014 to 31.12.2014
	HK$'000	*HK$'000*
Operating activities		
Loss before taxation	**(81,455)**	(10,571)
Adjustments for:		
Depreciation of property, plant and equipment	**1,789**	33
Amortisation of intangible assets	**300**	–
Interest income	**(39)**	–
Operating cash flows before movements in working capital	**(79,405)**	(10,538)
Decrease (increase) in trade and other receivables	**666**	(426)
Increase (decrease) in trade and other payables	**2,191**	(42)
Net cash used in operating activities	**(76,548)**	(11,006)
Investing activities		
Deposit paid for acquisition of a subsidiary	**(35,001)**	–
Acquisition of property, plant and equipment	**(12,039)**	(1,959)
Acquisition of a subsidiary	**(8,948)**	–
Interest received	**39**	–
Deposit paid for acquisition of a car license	**–**	(1,520)
Net cash used in investing activities	**(55,949)**	(3,479)
Financing activities		
Proceeds from issue of shares	**127,440**	44,100
Share issue expenses	**(2,549)**	–
Net cash from financing activities	**124,891**	44,100
Net (decrease) increase in cash and cash equivalents	**(7,606)**	29,615
Cash and cash equivalents at the beginning of the year/period	**32,475**	2,860
Cash and cash equivalents at the end of the year/period, represented by bank balances and cash	**24,869**	32,475

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2015

1. BASIS OF PREPARATION AND APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

During the period ended 31 December 2014, the financial year end date of the Group was changed from 30 June to 31 December because the Directors of the Company determined to bring the financial year end date of the Group in line with that of the ultimate holding companies. The consolidated financial statements for the current year cover the twelve month period ended 31 December 2015. The corresponding comparative amounts shown for the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and related notes cover the six month period ended 31 December 2014 and therefore may not be comparable with amounts shown for the current year.

The consolidated financial statements have been prepared on the historical cost basis and in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). Historical cost is generally based on the fair value of the consideration given in exchange for goods. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and the Hong Kong Companies Ordinance.

The Group has applied a number of amendments to HKFRSs for the first time in the current reporting period.

The application of these amendments to HKFRSs has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

2. REVENUE AND SEGMENT INFORMATION

Revenue

Revenue represents the amounts received and receivable for goods sold in respect of its commodity trading business and services rendered in establishing and providing secure electronic payment processing platform.

The revenue of the Group comprises the following:

	1.1.2015 to 31.12.2015	1.7.2014 to 31.12.2014
	HK$'000	*HK$'000*
Commodity trading	**216,802**	24,898
IT solution services	**266**	967
	217,068	25,865

Segment information

The operating segments have been identified on the basis of internal management reports prepared in accordance with accounting policies conforming to HKFRSs, that are regularly reviewed by the executive directors of the Company, for the purpose of allocating resources to segments and assessing their performance. Specifically, the Group's operating and reportable segments under HKFRS 8 Operating Segments are identified as follows:

- Commodity trading – includes income from trading of copper
- IT solution services – including services rendered in establishing and providing secure electronic payment processing platform

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment results represent the loss before taxation earned by each segment, excluding unallocated income and expenses such as central administration costs and directors' salaries. This is the measure reported to the executive directors of the Company, the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance.

Information regarding the above segments is reported below:

	Commodity trading	**IT solution services**	**Consolidated**
	HK$'000	*HK$'000*	*HK$'000*
For the year ended 31 December 2015			
REVENUE			
External and total revenue	**216,802**	**266**	**217,068**
RESULTS			
Segment result	**(9)**	**(2,229)**	**(2,238)**
Unallocated expenses, net			**(79,217)**
Loss before taxation			**(81,455)**
For the period from 1 July 2014 to 31 December 2014			
REVENUE			
External and total revenue	24,898	967	25,865
RESULTS			
Segment result	(19)	(488)	(507)
Unallocated expenses, net			(10,064)
Loss before taxation			(10,571)

	Commodity trading HK$'000	IT solution services HK$'000	Unallocated HK$'000	Consolidated HK$'000
For the year from 31 December 2015				
Amounts included in the measure of segment profit or loss:				
Depreciation	**–**	**–**	**1,789**	**1,789**
Amortisation	**–**	**300**	**–**	**300**
For the period from 1 July 2014 to 31 December 2014				
Amounts included in the measure of segment profit or loss:				
Depreciation	–	3	30	33

No assets and liabilities are included in segment reporting as they are not regularly reviewed by the executive directors of the Company.

Geographical information

All of the Group's revenue and non-current assets by location of customers or by location of assets are within the People's Republic of China (the "PRC"), including Hong Kong and Macau.

3. TAXATION

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Company and its subsidiaries have no assessable profits in the current year or the six month period ended 31 December 2014.

The taxation for the year/period can be reconciled to the loss per the consolidated statement of profit or loss and other comprehensive income as follows:

	1.1.2015 to 31.12.2015 ***HK$'000***	1.7.2014 to 31.12.2014 *HK$'000*
Loss before taxation	**(81,455)**	(10,571)
Tax credit at Hong Kong Profits Tax rate of 16.5% (2014: 16.5%)	**(13,440)**	(1,744)
Tax effect of expenses not deductible for tax purposes	**2,508**	177
Tax effect of income not taxable for tax purposes	**(13)**	(24)
Tax effect of tax losses not recognised	**11,648**	1,591
Effect of different tax rates of subsidiaries operating in other jurisdictions	**(210)**	–
Others	**(493)**	–
Taxation for the year/period	**–**	–

4. LOSS FOR THE YEAR/PERIOD

	1.1.2015 to 31.12.2015	1.7.2014 to 31.12.2014
	HK$'000	*HK$'000*
Loss for the year/period has been arrived at after charging:		
Auditor's remuneration	**724**	600
Depreciation of property, plant and equipment	**1,789**	33
Amortisation of intangible assets	**300**	–
Operating lease rentals in respect of rented premises	**4,344**	219
Research expenditures, including staff costs of HK$436,000 (1.7.2014 to 31.12.2014: HK$610,000)	**459**	625
and after crediting:		
Interest income	**39**	–

5. LOSS PER SHARE

The calculation of basic loss per share attributable to the owners of the Company is based on the following data:

	1.1.2015 to 31.12.2015	1.7.2014 to 31.12.2014
	HK$'000	*HK$'000*
Loss for the year/period attributable to owners of the Company for the purpose of basic loss per share	**(81,455)**	(10,571)
	'000	*'000* (restated)
Weighted average number of ordinary shares for the purpose of basic loss per share	**3,930,411**	3,157,377

The weighted average number of shares for the purpose of calculating basic loss per share for the six month period ended 31 December 2014 has been retrospectively adjusted in connection to the one-for-twenty subdivision of shares which became effective in January 2015.

No diluted loss per share is presented as there were no potential ordinary shares in issue throughout the year/period.

6. TRADE AND OTHER RECEIVABLES

	2015	2014
	HK$'000	*HK$'000*
Trade receivables	**11**	1,502
Other receivables	**1,606**	781
	1,617	2,283

The Group allows credit period ranging from 30 days to 180 days for its trade customers of IT business depending on their credit worthiness, nature of services and conditions of the market. For the commodities trading business, deposits are usually required and the remaining balance is usually receivable approximately within 10 days after the customers have received all documents. The aging analysis of trade receivables based on the invoice date which approximate the revenue recognition date, at the end of the reporting period is as follows:

	2015	2014
	HK$'000	*HK$'000*
0 – 60 days	**11**	1,502

Before accepting any new customer, the Group's finance and sales management team would assess the potential customer's credit quality and defines credit limits by customer. Limits attributable to customers are reviewed regularly with reference to past settlement history. The Group's finance and sales management team considers trade receivables that are neither past due nor impaired to be of good credit quality as continuous repayments have been received.

7. TRADE AND OTHER PAYABLES

	2015	2014
	HK$000	*HK$'000*
Trade payables	**77**	–
Other payables and accruals	**3,167**	1,063
	3,244	1,063

The credit period granted by suppliers to the Group ranged from 30 to 60 days. The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2015	2014
	HK$'000	*HK$'000*
1 to 30 days	**77**	–

8. EVENT AFTER THE REPORTING PERIOD

On 29 September 2015, the Company entered into the Subscription Agreement with Mr. Kan Che Kin, Billy Albert (the "**Subscriber**"), pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue 1,695,000,000 shares at the subscription price of HK$0.035 per subscription share. The subscription price of the subscription in the total amount of HK$59,325,000 shall be payable by the Subscriber to the Company in cash upon completion of the subscription. The subscription was approved by the shareholders of the Company at the Company's extraordinary general meeting held on 11 January 2016. The completion of the subscription is subject to the fulfilment of the conditions precedent under the subscription agreement and the subscription is yet to complete as at the date of this report.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2015 (31 December 2014: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL AND BUSINESS REVIEW

The Group's revenue was approximately HK$217,068,000 for the year ended 31 December 2015 as compared to approximately HK$25,865,000 for the financial period from 1 July 2014 to 31 December 2014. The Group commenced its commodity trading business in December 2014 and it contributed to approximately 99.9% and 96.2% of the Group's revenue for the year ended 31 December 2015 and the financial period from 1 July 2014 to 31 December 2014 respectively.

The Group's solutions and technical consultation on e-commerce integration and application customisation business ("**IT Solutions Business**") continued facing severe challenges during the year and the Group has been actively searching for other business opportunities so as to diversify the Group's IT Solutions Business into a new line of business with growth potential and to broaden its source of income that can bring return to its shareholders. On 6 November 2015, the Group acquired the entire equity interest in Logo Plus Limited for a cash consideration of HK$9,000,000. Logo Plus Limited is principally engaged in operating a mobile app and online sales channel for customer-designed printed garments. The Company expects that the integration of the Group's information technology based capabilities and Logo Plus Limited's mobile app and online sales channel will generate long term value to the Group.

Analysis on the performance of the Group including revenue and results of commodities trading business and IT business before allocation of the corporate overheads is set out in note 2 "Revenue and Segment Information" to the consolidated financial statements.

The total operating expenses for the year was approximately HK$81,853,000 as compared to approximately HK$11,575,000 for the financial period from 1 July 2014 to 31 December 2014, which was mainly attributable to the legal and professional fees of approximately HK$5,654,000 incurred for the acquisitions as well as the staff costs (including Directors' emoluments) of approximately HK$47,932,000 for the year ended 31 December 2015.

Loss for the year ended 31 December 2015 was approximately HK$81,455,000, compared with loss of approximately HK$10,571,000 for financial period from 1 July 2014 to 31 December 2014.

ACQUISITION OF 49% EQUITY INTEREST IN YICHANG ZHONGYOU ("YICHANG ACQUISITION")

On 16 January 2015, the Company entered into a memorandum of understanding with 宜昌中油天然氣利用有限公司 (Yichang Zhongyou Natural Gas Utilization Co., Ltd.*) ("Yichang Zhongyou"), 湖北標典天然氣有限公司 (Hubei Biaodian Natural Gas Co., Ltd.*) ("Hubei Biaodian" and formerly known as 湖北天能天然氣利用有限責任公司 (Hubei Tianneng Natural Gas Utilization Co., Ltd.)) and Mr. Xiong Songgan ("Mr. Xiong"), the ultimate controlling shareholder of both Hubei Biaodian and Yichang Zhongyou in relation to the possible Yichang Acquisition.

On 23 April 2015, an equity transfer agreement (the "**Equity Transfer Agreement**") was entered into among Hong Kong Global Billion Access Investments Limited (the "**Purchaser**"), an indirect wholly-owned subsidiary of the Company, Hubei Biaodian and Mr. Xiong, pursuant to which the Purchaser shall acquire from Hubei Biaodian 49% of the equity interest in Yichang Zhongyou at the consideration (the "**Consideration**") of HK$100 million.

On 12 June 2015, the Company issued a circular relating to the Acquisition (the "**Circular**"). Global Strategic (Holding) Group Limited, the controlling shareholder of the Company has given written approval to the Equity Transfer Agreement and the Acquisition. The written approval has been accepted in lieu of holding a general meeting pursuant to Rule 19.44 of the GEM Listing Rules.

On 17 September 2015, the Purchaser, the Vendor and Mr. Xiong entered into a first supplemental agreement to change the payment terms of the installment of the Consideration and amend certain terms and conditions of the Equity Transfer Agreement (the "**First Supplemental Agreement**").

On 9 December 2015, the Purchaser, the Vendor and Mr. Xiong entered into a second supplemental agreement of the Acquisition to amend the termination clause and certain terms and conditions of the Equity Transfer Agreement (as amended and supplemented by the First Supplemental Agreement).

The business scope of Yichang Zhongyou includes investment in natural gas project, provision of natural gas technology consultation services and sales of natural gas cooking appliance and accessories. Yichang Zhongyou has been granted the approval to construct and operate the first phase of a natural gas project in Zhijiang City, Hubei Province, the People's Republic of China (the "**PRC**") by Hubei Provincial Development and Reform Commission（湖北省發展和改革委員會）.

Upon completion of the Yichang Acquisition, Yichang Zhongyou will be regarded as being controlled by the Group in accordance with the Group's accounting policies and Yichang Zhongyou will become a 49% indirectly-owned subsidiary of the Company.

Further details of the business and financial information of Yichang Zhongyou have been set out in the Circular.

As at the date of this announcement, the Yichang Acquisition has yet to complete and further announcement(s) will be made by the Company to update the shareholders the progress of the Yichang Acquisition.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group follows a policy of prudence in managing its working capital. The Group did not have any bank borrowings as at 31 December 2015. Operation was primarily financed by internally generated cashflows and external financing.

During the year, the Group had no material contingent liabilities as at 31 December 2015.

Share Subdivision

Pursuant to an ordinary resolution passed by the shareholders at the extraordinary general meeting of the Company held on 9 January 2015, each existing issued share of the Company of HK$0.1 each was subdivided into twenty (20) subdivided shares of the Company of HK$0.005 each ("**Share Subdivision**") and the authorised shares capital of the Company has become HK$80 million divided into 16,000,000,000 shares of HK$0.005 each ("**Shares**") of which 3,600,000,000 are in issue and fully paid or credit as fully paid. The Share Subdivision became effective on 12 January 2015.

Placing of Shares

On 16 January 2015, the Company entered into a placing agreement with Jin Hung Securities Limited (as the placing agent) for the placing (the "**Placing**") of up to 360,000,000 Shares of HK$0.005 each in the share capital of the Company at the placing price of HK$0.354 per placing Share (the "**Placing Agreement**"). The aggregate nominal value of the Shares issued under the Placing is HK$1,800,000. The Placing was completed on 30 January 2015 and an aggregate of 360,000,000 Shares were allotted and issued to not less than six investors, who and their respective ultimate beneficial owners are individual investors, being third parties independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities of the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited ("**GEM Listing Rules**")) Following the completion of the Placing, the Company had an aggregate 3,960,000,000 Shares in issue.

The closing price of the Shares was HK$0.405 per Share as quoted on the Stock Exchange on the date of the Placing Agreement. The net proceeds from the Placing were approximately HK$124.8 million have been utilised as to (i) approximately HK$37.4 million and HK$25 million was used as the working capital for the commodity trading business and for the Group's general working capital respectively; and (ii) approximately HK$35 million was used as part of the initial payment for the consideration of the Acquisition. The unutilised net proceed of HK$27.4 million is intended to apply as part of the payment of the consideration of the Acquisition.

Shares Subscription

On 29 September 2015, the Company entered into a subscription agreement (as amended and supplemented by the two supplemental agreements dated 26 November 2015 and 9 December 2015 respectively) (the "**Subscription Agreement**") with Mr. Kan Che Kin, Billy Albert (the "**Subscriber**"), pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue 1,695,000,000 ordinary shares (the "**Subscription Shares**") at the subscription price of HK$0.035 per Subscription Share (the "**Subscription**"). The Subscription is conditional upon, among other things, the completion of the Yichang Acquisition. The subscription price of the Subscription in the total amount of HK$59,325,000 shall be payable by the Subscriber to the Company in cash upon completion of the Subscription. The net proceeds of approximately HK$58.8 million will be utilised as to (i) HK$37.6 million for settlement of part of the consideration for the Yichang Acquisition; and (ii) approximately HK$21.2 million for the Group's general working capital. The Subscription was approved by the shareholders of the Company at the Company's extraordinary general meeting held on 11 January 2016. Please refer to the Company's announcements dated 29 September 2015, 26 November 2015 and 9 December 2015 as well as circular of the Company dated 17 December 2015 for the detailed information on the Subscription.

As at the date of this announcement, the Subscription has yet to complete and further announcement(s) will be made by the Company to update the shareholders the progress of the Subscription.

PROSPECT

The Company reiterates its commitment to maximizing shareholder value. The Group will continue to review its strategic directions and operations in order to chart its long term corporate strategy and growth. Apart from the existing commodity trading and IT businesses, the Directors consider the Group's investment in the natural gas business, upon completion of the Yichang Acquisition, offers enormous opportunities to enhance the Group's future growth and development in the energy and resources sector in the PRC.

EXPOSURE TO EXCHANGE RATE FLUCTUATIONS

The Group's foreign currency exposure is limited as most of its transactions, assets and liabilities are denominated in Hong Kong dollars, Renminbi, Macau Pataca and United States dollars.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 December 2015, the Group employed 28 staff members. Remuneration is determined with reference to market terms and the performance, qualifications and experience of the individual employee. Remuneration includes monthly salaries, performance-linked bonuses, retirement benefits schemes and other benefits such as medical scheme and share option scheme. The Group's remuneration policies and packages are reviewed by management on regular basis. The Company has established a Human Resources and Remuneration Committee. The Directors' emoluments are determined with reference to Directors' duties, responsibilities and the operating performance of the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the year ended 31 December 2015.

CORPORATE GOVERNANCE CODE

Throughout the year ended 31 December 2015, the Company complied with the code provisions of the Corporate Governance Code set out in Appendix 15 of the GEM Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealing set out in rules 5.48 to 5.67 of the GEM Listing Rules (the "**Required Standard**") as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the Required Standard during the year ended 31 December 2015.

UPDATES ON DIRECTORS' INFORMATION UNDER RULE 17.50(B) OF THE GEM LISTING RULES

With effect from 24 August 2015, Ms. Leung Tsz Man has been appointed as an executive Director and each of Mr. Sun Zhi Jun and Ms. Huang Yu Jun has been appointed as an independent non-executive Director and a member of each of the audit committee, the human resources and remuneration committee and the nomination committee of the Board. Details of the above changes are set out in the announcement of the Company dated 24 August 2015.

AUDIT COMMITTEE

As at 31 December 2015, the audit committee of the Company (the "**Audit Committee**") has 6 members comprising five independent non-executive Directors, namely, Mr. Chiu Wai Piu, Ms. Kwan Sin Yee, Mr. Leung Oh Man, Martin, Mr. Sun Zhi Jun and Ms. Huang Yu Jun. The chairman of the Audit Committee is Mr. Leung Oh Man, Martin. The audit committee is accountable to the Board and the principal duties of the Audit Committee are, among other things, to assist the Board to review of the Group's financial information, its financial and corporate governance reporting process and to supervise over the Group's internal controls and risk management matters.

The Audit Committee has reviewed with the management of the Company and Deloitte Touche Tohmatsu, the auditors of the Company, the accounting principles and practices adopted by the Group and has discussed auditing, internal controls and financial reporting matters, including the review of the annual results and annual report of the Company for the year ended 31 December 2015.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.globalstrategicgroup.com.hk. The Company's annual report for the year ended 31 December 2015 will be published on the above websites in due course.

By Order of the Board
Global Strategic Group Limited
Wei Yue Tong
Chairman

Hong Kong, 19 February 2016

As at the date of this announcement, the executive Directors are Mr. Wei Yue Tong (Chairman), Mr. Weng Lin Lei, Mr. Fan Wei Guo, Mr. Zheng Jian Peng and Ms. Leung Tsz Man; the non-executive Director is Mr. Zheng Zhu Ping; and the independent non-executive Directors are Mr. Chiu Wai Piu, Ms. Kwan Sin Yee, Mr. Leung Oh Man, Martin, Mr. Sun Zhi Jun and Ms. Huang Yu Jun.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at "www.hkgem.com" on the "Latest Company Announcements" page for 7 days from the day of its posting and the Company's website at www.globalstrategicgroup.com.hk.

- *The English translation of Chinese names of the entities are included for information purpose only, and should not be regarded as the official translation of such Chinese names.*